

CORRECTED FISCAL NOTE

SB 3474 - HB 3781

April 3, 2006

SUMMARY OF BILL: Authorizes a lump-sum payment of \$80,000 to the beneficiary of a member of the Tennessee National Guard who is killed while training or while called to active duty by the Governor.

ESTIMATED FISCAL IMPACT:

On March 16, 2005 we issued a fiscal note that indicated *a recurring increase in state expenditures exceeding \$500,000*. This was based on the assumption that payment would be made to the beneficiary of a member of the Tennessee National Guard killed in the line of federal duty. Based upon further research and additional information provided by the Department of the Military, the provisions of this bill apply to members of the Tennessee National Guard who are killed while training or while called to active duty by the Governor.

(CORRECTED)

Other Fiscal Impact – Since 1997, there have been six claims paid out under the provisions of current law with payments ranging from \$10,000 to \$196,997. If recent claim history holds true, some beneficiaries will receive a larger payment and some beneficiaries will receive a smaller payment. For those receiving a larger payment, the average increase in state expenditures will be \$59,550 per claim. For those receiving a smaller payment, the average decrease in state expenditures will be \$70,830 per claim.

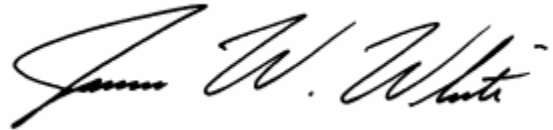
Assumptions:

- Under current law the amount a beneficiary can receive is based on and determined by the percentage of the average weekly pay the guard member would have received while on active federal duty provided that no benefit so paid shall be less than \$10,000.
- Since 1997, there have been six claims paid under the provisions of current law in the amounts of \$10,000, \$30,900, \$90,372, \$119,156, \$196,800 and \$196,997.

- This bill would give a lump-sum payment of \$80,000 to the beneficiary of each member. Based on past claim history, this would result in some beneficiaries receiving a larger payment and some beneficiaries receiving a smaller payment.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director